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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[C-475-819]**

**Certain Pasta from Italy: Preliminary Results of Countervailing Duty Administrative Review and Partial Rescission; 2016**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) is conducting an administrative review of the countervailing duty (CVD) order on certain pasta from Italy. The period of review (POR) is January 1, 2016, through December 31, 2016.

**DATES:** Applicable [Insert date of publication in the *Federal Register*].

**FOR FURTHER INFORMATION CONTACT:** Mary Kolberg, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1785.

**SUPPLEMENTARY INFORMATION:**

**Background**

On September 13, 2017, Commerce published a notice of initiation of an administrative review of the CVD order on certain pasta from Italy for the POR.<sup>1</sup> From October 10, 2017 to December 12, 2017, eight of the producers/exporters of subject merchandise subject to this review timely withdrew their request for review. Thus, we are rescinding this review with

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 42974 (September 13, 2017) (*Initiation Notice*).

respect to these eight producers/exporters. Commerce is conducting this review of one remaining producer/exporter of subject merchandise: GR.A.M.M. S.r.l. (GR.A.M.M.). On March 29, 2018, Commerce postponed the deadline for issuing the preliminary results of this administrative review until August 3, 2018.<sup>2</sup> For a complete description of the events that followed the initiation of this review, see the Preliminary Decision Memorandum.<sup>3</sup> A list of topics discussed in the Preliminary Decision Memorandum is provided in the Appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and in the Central Records Unit, Room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

#### Scope of the Order

Imports covered by the order are shipments of certain non-egg dry pasta in packages of five pounds four ounces or less, whether or not enriched or fortified or containing milk or other optional ingredients such as chopped vegetables, vegetable purees, milk, gluten, diastasis, vitamins, coloring and flavorings, and up to two percent egg white. The pasta covered by the scope of the order is typically sold in the retail market, in fiberboard or cardboard cartons, or polyethylene or polypropylene bags of varying dimensions. A full description of the scope of the

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<sup>2</sup> See Memorandum, "Certain Pasta from Italy: Extension of Time Limit for Preliminary Results of the Countervailing Duty Administrative Review," dated March 29, 2018.

<sup>3</sup> See Memorandum, "Decision Memorandum for Preliminary Results of Countervailing Duty Administrative Review and Partial Rescission: Certain Pasta from Italy; 2016," dated concurrently with, and hereby adopted by, this notice (*Preliminary Decision Memorandum*).

order is contained in the Preliminary Decision Memorandum, which is hereby adopted by this notice.<sup>4</sup>

### Partial Rescission

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, “in whole or in part, if a party that requested a review withdraws the request within 90 days of the date of publication of the notice of initiation of the requested review.” The requests for review for the following companies were withdrawn within the 90-day limit: Alessio Panarese Soceieta Agricola, Antico Pastificio Morelli 1860 S.r.l., Colussi Spa, Ghigi 1870 S.p.A., Industria Alimentare Colavita, S.p.A., Pastificio Fratelli DeLuca S.r.l., Pastificio Mennucci SpA, and Tesa SrL.<sup>5</sup> Therefore, Commerce is rescinding the review, in part, with respect to these companies.

### Methodology

We are conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found to be countervailable, we preliminarily find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>6</sup> For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

### Preliminary Results of the Review

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<sup>4</sup> *See Preliminary Decision Memorandum.*

<sup>5</sup> *See* Tesa SrL’s, “Pasta from Italy; Withdrawal of Request for Administrative Review,” dated October 10, 2017; *see also* Ghigi 1870 S.p.A.’s, “Pasta from Italy; Withdrawal of Request for Administrative Review,” dated October 17, 2017; *see also* Industria Alimentare Colavita, S.p.A.’s Letter, “Certain Pasta from Italy: Withdrawal of Request for CVD Administrative Review of Indalco S.p.A.,” dated December 10, 2017; *see also* Pastificio Mennucci SpA’s Letter, “Pasta from Italy; Withdrawal of Request for Administrative Review,” dated December 12, 2017; *see also* Colussi Spa’s Letter, “Pasta from Italy; Withdrawal of Request for Administrative Review,” dated December 12, 2017; *see also* Alessio Panarese Soceieta Agricola’s, Pastificio Fratelli DeLuca S.r.l.’s, and Antico Pastificio Morelli 1860 S.r.l.’s Letter, “Certain Dry Pasta from Italy, C-475-819; Withdrawal of Request for Review,” dated December 12, 2017.

<sup>6</sup> *See* sections 771(5)(B) and (D) of the Act regarding financial contribution, section 771(5)(E) of the Act regarding benefit, and section 771(5A) of the Act regarding specificity.

We preliminarily find the following net countervailable subsidy rate for the mandatory respondent, GR.A.M.M. for the period January 1, 2016 through December 31, 2016:

| <b>Company</b>   | <b>Net Subsidy Rate<br/><i>Ad Valorem</i></b> |
|------------------|---|
| GR.A.M.M. S.r.l. | 1.21 percent                                  |

#### Assessment Rates

Consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), upon issuance of the final results, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. For companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2016, through December 31, 2016, in accordance with 19 CFR 351.212(c)(1)(i). We intend to issue instructions to CBP 15 days after publication of the final results of this review.

#### Cash Deposit Requirements

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount shown above for GR.A.M.M. with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company specific or all-others rate applicable to the company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

## Disclosure and Public Comment

We will disclose to parties in this review the calculations performed in reaching the preliminary results within five days of publication of these preliminary results.<sup>7</sup> Interested parties may submit written comments (case briefs) on the preliminary results no later than 30 days from the date of publication of this *Federal Register* notice, and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs.<sup>8</sup> Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>9</sup> All briefs must be filed electronically using ACCESS.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS by 5 p.m. Eastern Time within 30 days after the date of publication of this notice. Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Issues addressed at the hearing will be limited to those raised in the briefs. If a request for a hearing is made, parties will be notified of the date and time for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.<sup>10</sup> Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, no later than 120 days after the

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<sup>7</sup> See 19 CFR 351.224(b).

<sup>8</sup> See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

<sup>9</sup> 19 CFR 351.309(c)(2) and (d)(2).

<sup>10</sup> See 19 CFR 351.310(d).

date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h), unless this deadline is extended.

These preliminary results and notice are issued and published in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(4).

Dated: August 3, 2018.

**James Maeder,**

*Associate Deputy Assistant Secretary*

*for Antidumping and Countervailing Duty Operations*

*performing the duties of Deputy Assistant Secretary*

*for Antidumping and Countervailing Duty Operations.*

## Appendix

### List of Topics Discussed in the Preliminary Decision Memorandum:

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Partial Rescission of the Administrative Review
- V. Subsidy Valuation Information
- VI. Analysis of Programs
- VII. Recommendation

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